



Indiana **INVESTIGATES**

A MAGAZINE FOR INDIANA AUDITORS AND INVESTIGATORS

VOLUME 3, ISSUE 1
FEBRUARY 2008

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2008 Meetings

Indiana Auditors and Investigators Upcoming Meetings:

Thursday, April 17, 9:00-10:30 AM, IGCS Conf. Rm. C

We need your help!

We are in need of speakers for our meetings and writers for this publication. No experience necessary, and the topic can be of your choice, in relation to the investigative/audit interests of the group. Please consider helping out--we can't make this possible without your help!

Contact us if you have any ideas, questions, or concerns.

Does your agency have news or ideas to share? We would love to hear from you. Please email Melissa Hauger at mhauger@ig.in.gov.

2007 WINTER SUMMIT

December 10, 2007

The 2007 Winter Summit for Indiana Auditors and Investigators was a great success. Representatives from many state agencies attended to show their support for the accomplishments of Indiana's auditors and investigators last year. The Governor also attended and distributed special service awards to Wendell Hoskins, FSSA Chief of Investigations & Compliance Division, and Deana McMurray, DOC Director of Community Corrections. The OIG would like to thank everyone for their participation and cooperation at the 2007 Summit.





REFLECTIONS:

The Past Three Years

David Thomas, Inspector General

It's been three years since the creation of the Office of the Inspector General (OIG).

This new agency was created by Governor Daniels on his first day of office, but the Indiana Legislature carefully and appropriately reviewed and refined the OIG duties and powers, resulting in much debate. Indiana prosecuting attorneys were understandably scrutinizing because for the first time in the state's history, their decisions to prosecute could be overridden by the OIG. But strong checks and balances on this OIG authority were implemented, these including approval by the Governor, the Indiana Court of Appeals and a Grand Jury process. This new system has not revealed this prosecution authority because Indiana prosecutors have filed the OIG cases. In fact, over 40 criminal charges have been filed by Indiana prosecutors in more than a dozen counties.

Many state agency investigative and auditing units have recognized this enhanced prosecution system and have partnered with the OIG in submitting their criminal investigations to county prosecutors.

The quarterly auditor and investigator meetings, the *Indiana Investigates* publication and the annual summits are also reflections on how the several state agency units through our combined efforts are producing successful results. Attendance has been healthy, steady and increasing.

Governor Daniels has noticed and approved of this unified work. He has attended and complimented the results of the many agencies at three successive annual summits designed exclusively for the many agency auditing and investigative units.

Some of these results in 2007 included: (1) the FSSA Compliance Division successfully charging dozens of felony cases in multiple counties to eradicate fraud and obtaining restitution in amounts exceeding \$600,000; (2) the State Board of Accounts completing audits with charges in excess of \$1.9 million; (3) the Indiana State Police being featured in *The Police Chief* magazine for the department's innovations in cyber crime techniques, and being announced

as the international winner of the "Excellence In Technology" award in New Orleans; (4) the BMV filing fraud charges and implementing its "Fraud Tip Line" to help fight fraud; and many more accomplishments by others including DNR, the Department of Insurance, the Indiana Gaming Commission, Indiana Department of Environmental Management, the Office of Technology and the Indiana Professional Licensing Agency.

Featured speakers at the quarterly meetings since 2005 have included:

Allen Pope and Steve Hunt, Attorney General Medicaid Fraud Unit

Chris Mickens, Director of HIPAA Compliance, Department of Health

Superintendent Alex Huskey and Officer Tony McGail, State Excise Police

Sylvia Stincic-Ferry, Special Investigator, FSSA Compliance Division

Deb Currey, former FSSA Auditor

Tad Stahl, IOT Chief Information Security Officer

Jack Sandlin, Association of Certified Fraud Examiners (ACFE)

Zach Mathews, Captain, DNR Law Enforcement

Governor Daniels has also presented awards to the following individuals and units for their auditing and investigative accomplishments:

2007:

Department of Correction: Deanna McMurray

FSSA Investigations Division: Wendell Hoskins

2006:

FSSA Audit: Debra Currey

US Inspector General, Dept. of Agriculture: Lisa Nelson

FSSA Investigations: Kim Devoy

State Board of Accounts: Mike Hoose, Patti Serbus, John Rihm, and Al Marshall

2005:

INDOT Investigations: Jerry Grant

FSSA Compliance Division: Chris Stanton

Federal partnerships have also been formed with the following units who are a welcome addition to our collective efforts:

Inspector General, Department of Agriculture

Inspector General, Health and Human Resources

Inspector General, Department of Justice

Inspector General, Social Security Administration

Inspector General, Department of Labor

Inspector General, Department of the Treasury

Inspector General, Environmental Protection Agency

Inspector General, United States Postal Service

Federal Bureau of Investigation

U.S. Attorney's Office (Indiana and Kentucky)

Future challenges remain. Education and recommendations of improved internal controls to prevent temptations and continued efforts to determine and address agency-wide risk assessments are goals we can accomplish better together than individually.

And perhaps our greatest challenge is to remind agency leaders and management that our auditing and investigative units can be an asset to the agency as opposed to groups that merely uncover and report the bad news.

The greatest example of this may be the action taken by Commissioner John Eckart at the Department of Revenue in 2007. Faced with the information that four of his employees were committing crimes of theft, Commissioner

Eckart immediately disclosed the criminal activity and requested investigative help in ridding his agency of this type of activity, instead of merely firing the employees and hoping the wrongdoing would go unnoticed. And although four separate DOR employees were criminally charged and public investigative reports were posted, no criticism of the agency resulted through media coverage. Criticism develops from inaction, rather than progressive action. This progressive action is demonstrated by the hard work of the following state units which have pledged their cooperation:

State Board of Accounts

Indiana State Police

FSSA Compliance Division

FSSA Internal Investigations

FSSA Audit

DNR Law Enforcement Division

Secretary of State Securities Division

Professional Licensing Agency Compliance

INDOT Internal Affairs Division

DOC Internal Affairs

DOC Division of Field Audits

Department of Revenue

IDEM

Bureau of Motor Vehicles Investigations & Security Division

Bureau of Motor Vehicles Audit Division

Alcohol Tobacco, Excise Police Division

Gaming Commission

Attorney General Executive

Attorney General Medicaid Fraud

DWD

Department of Insurance

Indiana Office of Technology

Indiana Office of Inspector General